


SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER	PAGE 1 OF 1
5. SOLICITATION NUMBER ED-FSA-10-R-0001	6. SOLICITATION ISSUE DATE
b. TELEPHONE NUMBER (No collect calls) 202-377-3635	8. OFFER DUE DATE/ LOCAL TIME 09-28-2010 3:00 PM ET

2. CONTRACT NO.	3. AWARD/EFFECTIVE DATE	4. ORDER NUMBER
7. FOR SOLICITATION INFORMATION CALL:  a. NAME Nicholas Chung nicholas.chung@ed.gov		

9. ISSUED BY
 United States Department of Education
 Federal Student Aid/Mission Support Group
 830 First St NE - Suite 91F3
 Washington DC 20202

10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED OR NAICS: 522320 SIZE STANDARD: <input type="checkbox"/> SET ASIDE: % FOR: <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> EMERGING SMALL BUSINESS <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS <input type="checkbox"/> 8(a)
--

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE	12. DISCOUNT TERMS
--	--------------------

13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	13b. RATING
14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP	

15. DELIVER TO	CODE
----------------	------

16. ADMINISTERED BY	CODE
---------------------	------

17a. CONTRACTOR/OFFEROR	CODE	FACILITY CODE
-------------------------	------	---------------

18a. PAYMENT WILL BE MADE BY	CODE
------------------------------	------

TELEPHONE NO.

<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER
--

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
Please	see continuation page for line item details.				
(Use Reverse and/or Attach Additional Sheets as Necessary)					

25. ACCOUNTING AND APPROPRIATION DATA See Schedule

26. TOTAL AWARD AMOUNT (For Govt. Use Only)

<input checked="" type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA	<input checked="" type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED
<input type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA	<input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED

<input checked="" type="checkbox"/> 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED

29. AWARD OF CONTRACT: REF. _____ OFFER DATED _____ . YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR

31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)
--

30b. NAME AND TITLE OF SIGNER (Type or print)

30c. DATE SIGNED

31b. NAME OF CONTRACTING OFFICER (Type or print)
--

31c. DATE SIGNED

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN

☐ RECEIVED ☐ INSPECTED ☐ ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
--	-----------	---

32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE
	32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. S/H P NUMBER	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	37. CHECK NUMBER
------------------	--------------------	---------------------------------	--	------------------

38. S/R ACCOUNT NO.	39. S/R VOUCHER NUMBER	40. PAID BY
---------------------	------------------------	-------------

41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT	42a. RECEIVED BY (Print)
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	42b. RECEIVED AT (Location)
41c. DATE	42c. DATE REC'D (YY/MM/DD)
	42d. TOTAL CONTAINERS

**U.S. Department of Education
Office of Federal Student Aid
Phase I – Solicitation for Debt Recovery Services**

1.0 GENERAL DESCRIPTION OF SCOPE/PURPOSE

The U.S. Department of Education (Department), Office of Federal Student Aid, is conducting Phase I of a two-phase solicitation to acquire a service for system processing to potentially replace the current Debt Management and Collections System under FAR Part 12. The authority to utilize the two-phase solicitation process has been provided under the Performance Based Organization (PBO) Procurement Flexibility Statute (20 U.S.C. 1018a(d)).

1.1 Federal Student Aid Background/Overview

Federal Student Aid (FSA) currently operates the Debt Management and Collections System (DMCS). The DMCS receives, manages, and tracks defaulted Title IV loans and grant overpayments assigned to FSA. The current portfolio contains approximately 2.47 million defaulted borrower accounts with a total value of approximately \$25 billion. The portfolio is comprised of 51% Direct Loans and 46% Federal Family Education Loans (FFEL) with the remaining portion containing Perkins Loans and grant overpayments.

1.2 Current Need

FSA is pursuing a comprehensive, turn-key service (to include all ancillary support and system processing) that will run concurrent with the DMCS system for a period of time, and may eventually replace the DMCS system.

Implementation of this service will address all basic Debt Recovery Services, including but not limited to following:

- tracking loan statuses through the default lifecycle,
- providing stakeholder notifications on loan statuses,
- update system parameters based on business rule changes,
- efficient and time saving automatic processes, right-time query and reporting capabilities across the entire data base, and
- transition assistance of all defaulted borrowers from DMCS to the service as directed by the Government.

Total and Permanent Disability (TPD) will NOT be part of the service at this time.

1.3 Objective

Acquire efficient and effective default debt processing and ancillary services to support FSA for defaulted Title IV loans and grant overpayments. Award may be made to one or more offerors.

1.4 Constraints

1.4.1 Specific compliance activities for processing Federally-held assets include, but are not limited to:

- 1) Business System Support,

- 2) Financial Reconciliation,
- 3) Customer Support Center,
- 4) Imaging,
- 5) Escalated Issues,
- 6) Payment Exception Processing,
- 7) Web Services,
- 8) Reporting,
- 9) Integrated Communications,
- 10) Data Integrity and
- 11) Security.

Available high level requirements can be viewed under the "Debt Recovery Service High Level Requirements" heading at <https://fsaacquisitioninformation.ed.gov/acquisition/AIWSWebApp/GetLibrary.do>.

Additional requirements information, including file formats, will be provided in the Phase II solicitation.

- 1.4.2 The contractor(s) will be responsible for maintaining a full understanding of all federal and state laws and regulations and FSA requirements and ensuring that all aspects of the service continue to remain in compliance as changes occur at no additional cost to the Government. Please see *Appendix A – Standards and Relevant Documents* for historical and current representative information.
- 1.4.3 The contractor(s) will provide timely (as defined by FSA and contractor) responses to Office of Inspector General (OIG), General Accounting Office (GAO), budget, data, and management requests.
- 1.4.4 It is understood and mutually agreed that the Department of Education has exclusive ownership of all information stored in, retrieved, modified, and/or archived as part of this service. The contractor shall have no rights in such information and no rights to such information shall vest on the contractor by virtue of its performance of this contract. No other party has the right to copy, delete, archive, or transfer such information without the prior express written consent of the Department of Education. The contractor shall not use such information for any marketing or solicitation purpose including, but not limited to: commercial advertising, credit offers, or similar campaigns.

2.0 BASIS ON WHICH POTENTIAL SOURCES ARE TO BE SELECTED TO SUBMIT OFFERS IN THE SECOND PHASE

The following constitutes the factors on which offerors will be selected for consideration for Phase II of this solicitation process:

2.1 Go/No-Go Factor

Describe experience within the last three years in servicing a minimum of 500,000 defaulted student loan borrowers on the offeror's proposed system. FSA reserves the right to utilize resources available to the Government to validate an offeror's proposed experience, as appropriate.

2.2 Evaluation Factors

2.2.1 Describe capacity to expand service to at least 5 million defaulted borrowers with 20 million defaulted student loans over a 10-year period.

2.2.2 Describe capability to accept and transition a 2 million plus borrower portfolio.

2.2.3 Describe capability to provide a total solution to include all services for high level requirements.

2.2.4 Estimated monthly and per borrower charge to service 500,000 defaulted borrowers. (Estimated costs will be evaluated for realism.)

2.3 Order of Importance

The evaluation factors above are listed in descending order of importance.

3.0 CONTENT OF OFFERS

At a minimum, the content of offers should discuss the following:

- (1) Experience in servicing a minimum of 500,000 defaulted student loan borrowers. Offerors should provide at least one reference, or only as many as needed to demonstrate minimum threshold stated herein. (For example, if two references demonstrate a combined minimum of 500,000 borrowers serviced, do not provide additional references.) The references provided should include the following information:

Entity Name	
Project Name	
Description of Effort	
Number of Defaulted Borrowers Serviced	
Number of Student Loans Serviced	
Point of Contact (Name, Title, Organization, Mailing Address, Telephone, and Email)	
Dates of Performance	
Valid Source of Information*	

* Copies of sources used as validation for proposed experience should be provided to the Government. These will not count towards the total page limit for this submission.

- (2) Capability and approach in expanding current capacity to process a minimum of 5 million defaulted borrowers with 20 million defaulted student loans over a 10-year period. This should include a high level approach of technological and business operations.
- (3) Capability and approach for accepting and transitioning a large loan portfolio. Address quality of data during transition. This should include a high level approach of technological and business operations.
- (4) Capability and approach for providing a total solution to include all services for high level requirements.
- (5) Provide monthly estimated cost and a per borrower cost for servicing 500,000 defaulted borrowers.

4.0 ADDITIONAL INFORMATION

4.1 Two-Phase Solicitation Process

Only offerors selected in Phase I of this two-phase solicitation process will be requested to submit a proposal and only Phase II proposals submitted by those offerors selected in Phase I will be evaluated.

Selection in Phase I of this solicitation does not constitute, nor guarantee, a contract award.

4.2 Offer Submission Methods

Offers shall be submitted by *Electronic mail (Email)*. Email offers should be sent to Nicholas Chung, Contract Specialist, at nicholas.chung@ed.gov. All offers should be included as attachments formatted using PDF Format with a duplicate copy compatible with Microsoft Word 2000. The subject line of the email should read, "*Phase I Submission – Debt Recovery Services*".

4.3 Page Limitations

An offeror's submission for Phase I of this solicitation process may not exceed ten (10) pages total. Offerors may include a table of contents, a single title page, and sources of information described in Section 3.0(1), which will not count against the page limitations. Any page size up to 8 ½" x 11" (or metric equivalent) will be considered a single page. Printing on two sides of a single page will be considered as two pages. Offerors may include pages larger than 8 ½" x 11", however such pages will count as two or more pages, rounding up to the next increment of 8 ½" x 11". Font sizes for text portions of the technical proposal should not be less than Times New Roman, 12 point or approximate equivalent. The font size restriction does not apply to small text in charts or similar presentations. Margins should be kept at 1" on all four sides of the page.

In the event that the page limitation stated herein is exceeded, the Government reserves the right to evaluate only the first number of pages up to the page limit, or what the Government deems to be the equivalent of the first number of pages up to the page limit.

4.4 Submission Deadline

Offers shall be received no later than 3:00PM ET on October 28, 2009. The time of receipt is considered to be the time in which the email is received at the initial point of entry to the Department of Education infrastructure.

(End of Document)

Appendix A
Historical and Current representative sample of *Standards and Relevant Documents*

United States Department of Education Information and Resources

- Title IV Student Aid Programs Regulations (34 CFR Parts 600-694)
 - http://www.access.gpo.gov/nara/cfr/waisidx_03/34cfrv3_03.html#600
- Review of Student Aid Regulations Under Title IV of the Higher Education Act of 1965
 - <http://www.ed.gov/offices/ODS/regreview/index.html>
- Amendments to the Higher Education Act of 1965
 - <http://edlabor.house.gov/education/higher-education/>
- Department of Education Priorities
 - <http://www.ed.gov/about/priorities.jsp>
- Information for Financial Aid Professionals (IFAP) Library
 - <http://www.ifap.ed.gov/>
- U.S. Department of Education Records Disposition Schedules
 - www.ed.gov/policy/gen/guid/fra/intro-02sch.pdf
- Security Requirements for Contractors Doing Business with the Department of Education
 - www.ed.gov/fund/contract/about/bsp.html

Applicable Federal Public Laws and Regulations

- Federal Acquisition Regulation (FAR)
 - <http://www.arnet.gov/far/>
- Fair Debt Collection Practices Act
 - <http://www.ftc.gov/os/statutes/fdepajump.htm>
- Privacy Act of 1974
 - <http://www.ed.gov/policy/gen/leg/privacyact.html>
- Freedom of Information Act of 1974
 - <http://www.usdoj.gov/04foia/>
- Federal Managers' Financial Integrity Act of 1982
 - <http://www.whitehouse.gov/omb/financial/fmfia1982.html>
- Computer Fraud and Abuse Act of 1987
 - <http://www.cio.energy.gov/documents/ComputerFraud-AbuseAct.pdf>
- Computer Matching and Privacy Protection Act of 1988, as amended
 - [http://thomas.loc.gov/cgi-bin/bdquery/z?d100:SN00496:](http://thomas.loc.gov/cgi-bin/bdquery/z?d100:SN00496;)
- Paperwork Reduction Act, as amended
 - <http://www.ed.gov/policy/gen/leg/pract.html>
- Government Paperwork Elimination Act (GPEA)
 - <http://www.ed.gov/policy/gen/leg/gpea/index.html>
- Clinger-Cohen Act
 - <http://www.ed.gov/policy/gen/leg/cca.html>
- Federal Records Act

- <http://www.ed.gov/policy/gen/leg/fra.html>
- Federal Information Security Management Act (FISMA) of 2002 (Title III of E-Gov)
 - <http://esrc.ncsl.nist.gov/policies/>
- Section 508 of the Rehabilitation Act of 1973
 - <http://www.section508.gov/>
- Electronic Signatures in Global and National Commerce Act of 2000 (E-Sign)
 - http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=106_cong_bills&docid=fs761enr.txt.pdf
- Gramm-Leach-Bliley Act
 - <http://www.senate.gov/~banking/conf/>

Standards Resources

- International Organization for Standardization
 - <http://www.iso.ch/iso/home.htm>
- National Institute of Standards and Technology
 - <http://www.nist.gov/>
- Software Engineering Institute (SEI) and the Capability Maturity Model (CMM)
 - <http://www.sei.cmu.edu/cmmi/>
- FIPS PUB 113 – “Computer Data Authentication”
 - <http://www.itl.nist.gov/fipspubs/fip113.htm>

Executive Orders and Executive Office Guidance

- Executive Order 13231 - "Critical Infrastructure Protection in the Information Age"
 - <http://www.whitehouse.gov/news/releases/2001/10/20011016-12.html>
- Executive Order 13228 - "Establishing the Office of Homeland Security and the Homeland Security Council"
 - <http://www.whitehouse.gov/news/releases/2001/10/20011008-2.html>
- Executive Order 13011 - "Federal Information Technology"
 - <http://www.cio.gov/Documents/federal%5Fit%5FJul%5F1996%2Ehtml>

Office of Management and Budget (OMB) Circulars, Memoranda, and Other Guidance on Information Technology

- OMB Circular A-123 – “Internet Control Systems”
 - <http://www.whitehouse.gov/omb/circulars/a123/a123.html>
- OMB Circular A-127 – “Financial Management Systems”
 - <http://www.whitehouse.gov/omb/circulars/a127/a127.html>
- OMB Circular A-130 – “Management of Federal Information Resources”, Appendix III – “Security of Federal Information Resources”
 - <http://www.whitehouse.gov/omb/circulars/a130/a130.html>
- NIST Special Publication 800-18 – “Guide for Developing Security Plans for Information Technology Systems”
 - <http://esrc.nist.gov/publications/nistpubs/800-18-Rev1/sp800-18-Rev1-final.pdf>
- OMB Memorandum 97-02 – “Funding Information Systems Investments”
 - <http://www.whitehouse.gov/omb/memoranda/m97-02.html>
- OMB Memorandum 97-16 – “Information Technology Architectures”

- <http://www.whitehouse.gov/omb/memoranda/m97-16.html>
- OMB Memorandum 00-15 – “OMB Guidance on Implementing the Electronic Signatures in Global and National Commerce Act”
 - <http://www.whitehouse.gov/omb/memoranda/m00-15.html>
- OMB Memorandum 01-08 – “Guidance on Implementing the GISRA”
 - <http://www.whitehouse.gov/omb/memoranda/m01-08.pdf>
- OMB Memorandum 01-24 – “Reporting Instructions for the GISRA”
 - <http://www.whitehouse.gov/omb/memoranda/m01-24.pdf>
- US General Accounting Office Accounting and Information Management Division (GAO/AIMD) Report 94-115 – “Executive Guide: Improving Mission Performance Through Strategic Information Management and Technology”
 - <http://www.gao.gov/special.pubs/ai94115.pdf>
- 1098E – Student Loan Interest Information Reporting
 - <http://www.unclefed.com/Tax-Bulls/1998/not98-07.pdf>

Other

- IRS Publication 1075 – “Tax Information Security Guidelines for Federal, State, and Local Agencies”
 - <http://www.irs.gov/pub/irs-pdf/p1075.pdf>

(End of Appendix A)